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DIARY NOTES

A-DD/A

25 and 26 January 1954

1. Conducted a DD/A Staff Meeting on Monday. (See Minutes of the Meeting.)

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2. Met with Larry Houston, Shef Edwards, Harry Reynolds, John Tietjen, and [REDACTED] to discuss the establishment of a Psychiatric Disposition Board. It was agreed that the Board would start functioning as of that moment with the Assistant Director for Personnel acting as Chairman. Mr. Reynolds agreed to draft an appropriate paper which would officially set up the Board as an Agency mechanism. H

3. Ed Saunders called to my attention the fact that his Office was in the process of transferring finance records to the Records Center and stated that he felt the Office of the Deputy Director (Plans) might conceivably object to such a plan inasmuch as information relating to operational projects would be involved. I asked him to insure that his examination of these records (prior to sending them to the Records Center) insured against getting any highly sensitive information into such files. I also noted and approved of a request to the General Services Office to put a wire mesh partition between the records of the Comptroller and other records in the Center.

4. Ed Saunders advised me that Mr. Neese of the Senate Appropriations Committee staff had asked him to come to his office on Friday to discuss the general order of magnitude of our budget. He also said that Mr. Neese had asked some questions about our authority to purchase automobiles. What this means, of course, we can't tell now.

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5. [REDACTED] Technical Services Staff, telephoned on behalf of Bob [REDACTED] who runs the GPO Plant to say that Bob had been notified that his mobilization assignment as a Lieutenant Colonel, Intelligence Reserve, was no longer with CIA. I asked [REDACTED] to get in touch with [REDACTED] for his explanation but suggested that this had probably happened due to the fact that the CIA Unit had been cut from 250 to 125 positions by the Army. 25X1A9a 25X1A9a

6. Talked to General Cabell about the staff study recommending the elimination of the General Services Office and the transfer of its functions to the Office of the Comptroller and the Logistics Office. He has approved of this action but requests that I bring it up at the Deputies' Meeting on Wednesday for a final checkout with the Director prior to implementation. H

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7. Jim Garrison reports that a fair rental of \$100 per month for the [REDACTED] [REDACTED] has been established and I told him to go ahead on this basis.

8. Dr. Tietjen and I discussed the Inspector General's report on the Defector Program and noted that he had recommended that a psychiatrist be assigned to the overseas areas. I agreed to talk to [REDACTED] about providing a position for a psychiatrist in Europe and not to push for the establishment of the whole psychiatric team at this time, especially in view of the fact that General Cabell is trying to sort out the relationship between the Psychiatric Division of the Medical Office and the Psychological Assessment Branch of the Office of Training. 25X1A9a

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9. Bob Macy, Bureau of the Budget, was over to discuss a highly sensitive [REDACTED] 25X1A1a

Saunders, Larry Houston, and the Director and have obtained approval in principle subject to the following conditions:

- 25X1A a. We will transfer only that amount which the Bureau of the Budget determines to be essential during Fiscal Year 1955 [REDACTED]
- 25X1A1a b. It should be distinctly understood that this money is for Fiscal Year 1955 only and that the [REDACTED] budget for this amount in its 1956 budget;
- c. The funds will definitely come from the CIA Reserve and not from our regular budget allocation; and
- d. Approval will be obtained from Senator Bridges and Representative Taber, Chairmen of the Senate and House Appropriations Committees, respectively. (In discussing the matter with the Director it was recognized that this transfer would be contrary to the principle of not supplementing another agency's budget. However, the Director felt that we could justify an exception in this case because of the vital importance of the program to the United States and of the foreign intelligence aspect [REDACTED] be looked upon primarily [REDACTED] 25X1A9a 25X1A9a 25X1A

10. [REDACTED] reported that no resignation had yet been received from [REDACTED] who was supposed to have resigned prior to 15 January. I advised [REDACTED], Chief, WE Division, and was informed that the Inspector General was going to recommend to the Director that [REDACTED] be granted 25X1A9a

an extension. I told Jack that I thought he ought to verify this with the Director and asked Charlie to notify me again in two weeks if he had not received a resignation.